

**COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND**

BILL NO. 99-16

Introduced by Council President Hirsch at the request of the County Executive

Legislative Session Day No. 99-11

Date: April 13, 1999

AN ORDINANCE to authorize and empower Harford County, Maryland to borrow, on its full faith and credit, and issue and sell its bonds or other form of indebtedness therefor, in an amount not to exceed Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000) principal amount, the proceeds thereof to be used for the expansion, reconstruction, rehabilitation, renovation and improvement of certain projects as described in the Annual Budget and Appropriation Ordinance, as amended, Bill No. 99-12, for the year ending June 30, 2000 and as described in this Ordinance (collectively the "Projects") in accordance with Section 524 of the Charter of Harford County ("Charter") and Section 123-40 the Code of Harford County ("Code") or as otherwise permitted by law, authorizing the

By the Council, April 13, 1999

Introduced, read first time, ordered posted and public hearing scheduled

on: May 11, 1999

at: 7:30 p.m.

By Order: James E. Massey, Jr. Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on May 11, 1999, and concluded on May 11, 1999.

James E. Massey, Jr. Council Administrator

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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OF
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BILL NO. 99-16

Introduced by Council President Hirsch at the request of the County Executive

Legislative Session Day No. 99-11

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County Council of Harford County, Maryland to adopt an administrative resolution that shall provide for the form of instrument by which any indebtedness or financing obligation is to be evidenced, the manner by which any indebtedness, line of credit, financing lease or similar obligation may be secured and the rate(s) of interest to be paid, and generally for such other matters as may be deemed appropriate by the County Council of Harford County, Maryland in connection herewith and authorizing the County Executive of Harford County, Maryland by Executive Order, to determine the form of various documents as are necessary to implement the financing authorized herein, the manner of issuance and delivery of any evidences of indebtedness, the payment of all necessary expenses in connection therewith, the method by which such

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Council Administrator

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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evidences of indebtedness shall be sold, maturity schedule, redemption provisions; authorizing the appointment of certain agents; and otherwise generally relating to the issuance, sale, delivery and payment of any such evidences of indebtedness or financing obligations; providing that such indebtedness shall be issued upon the full faith and credit of Harford County, Maryland; providing for the issuance of bond anticipation notes upon passage of a resolution by the County Council of Harford County, Maryland approving the interest rate or rates on said bond anticipation notes for all or a portion of the projects described herein, for which the proceeds of sale of the bond anticipation notes shall be used; providing that within twelve (12) months after the issuance of the bond anticipation notes, or any renewal thereof, the County Council of Harford County, Maryland shall authorize the issuance of bonds to pay said bond

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Council Administrator

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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Anticipation notes; providing for disbursement of the proceeds of the sale of such bonds and for the levying of charges, assessments and all taxes necessary to provide payment of the of the principal and interest on such bonds; providing that certain additional matters may be determined by resolution of the County Council of Harford County, Maryland or may be reserved unto the County Executive as prescribed by such resolution; providing the method of fixing the interest rates to be borne by such bonds and generally providing for and determining various matters in connection therewith; and generally relating to funding of certain capital projects.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Council Administrator

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

1 WHEREAS, in accordance with the provisions of Section 406 of the Charter of
2 Harford County, the Director of Planning has heretofore transmitted to the County
3 Executive the recommendations of the Planning and Advisory Board for certain Capital
4 Improvements; and

5 WHEREAS, in accordance with the provisions of Section 505 of the Charter of
6 Harford County, the County Executive has reviewed such recommendations in light of
7 the existing capital programs and the County Executive and the Director of
8 Administration have included such recommendations for capital improvements, as
9 amended, in the proposed Capital Program which has been submitted to the County
10 Council of Harford County, Maryland and the County Council of Harford County,
11 Maryland has adopted the Capital Program and Capital Budget for the year ended
12 June 30, 2000, pursuant to Bill No. 99-12; and

13 WHEREAS, upon request of the County Executive and Resolution of the County
14 Council of Harford County, Maryland, Harford County may sell bond anticipation notes
15 in an amount not greater than the amount of bonds authorized herein, in anticipation
16 of the subsequent sale of the bonds, for all or a portion of the cost of the projects
17 described herein in accordance with the provisions of Article 31, Section 12 of the
18 Annotated Code of Maryland (1997 Replacement Volume, 1998 Supplement); and

19 WHEREAS, as a part of the said Capital Program and the said Capital Budget,
20 it is necessary that Harford County, Maryland, borrow a sum not exceeding Fourteen
21 Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000) to be used to finance
22 the cost of the acquisition, construction, reconstruction, improvement, extension, site

1 acquisition, architectural and engineering services, and furnishings and equipment for
2 the Projects, including financial, legal and planning expenses related thereto; and

3 WHEREAS, the County Council of Harford County, Maryland has authority to
4 incur debts on behalf of Harford County, Maryland; and

5 WHEREAS, the County Council of Harford County, Maryland is hereby
6 authorized to enact an Ordinance adopted in accordance with Section 524 of the
7 Charter of Harford County and other applicable provisions of law providing for the
8 issuance and sale and for the designation, form, tenor, denomination, maturities, and
9 the interest rates payable on any bonds or other form of indebtedness issued under
10 this Ordinance; and to levy annually *ad valorem* taxes upon the assessable property
11 within the County sufficient, together with other taxes and other available funds, to
12 provide for the payment of the interest on and principal of any bonds so issued; and

13 WHEREAS, the proposed bond issue or other form of indebtedness is within the
14 legal limitation on the indebtedness of Harford County, Maryland; and

15 WHEREAS, it is necessary to provide funds for the construction, reconstruction,
16 improvement, extension, acquisition, alteration, repair and modernization, the cost of
17 acquiring any sites, making site improvements, architectural and engineering services,
18 including preparation of plans, drawings and specifications, the development of the
19 grounds and landscaping thereof, financial, legal and planning expenses and all
20 customary appurtenances and equipment for the Projects; and

21 WHEREAS, after written recommendation of the County Executive, public
22 hearing and affirmative vote of at least four (4) members of the County Council of

1 Harford County, Maryland, the capital budgets authorizing the Projects have been
2 amended and adopted; and

3 WHEREAS, the financing or indebtedness herein authorized, including the
4 aggregate principal amount of bonds or other indebtedness in an amount not to exceed
5 Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000), and interest
6 rate(s), shall be evidenced and incurred pursuant to a resolution or resolutions
7 ("Resolution") to be adopted by the County Council of Harford County, Maryland upon
8 written recommendation of the County Executive, pursuant to this Ordinance and other
9 terms of sale, including, but not limited to maturity schedule, redemption provisions,
10 form of bond, and date of sale shall be determined by the County Executive of Harford
11 County, Maryland by Executive Order.

12 NOW, THEREFORE, IN ACCORDANCE WITH THE PROVISIONS OF THE
13 CHARTER, THE CODE AND THE LAWS OF THE STATE OF MARYLAND:

14 SECTION 1. Be it enacted by the County Council of Harford County, Maryland
15 that, acting pursuant to the authority of the Charter, the Code and the laws of the
16 State of Maryland, Harford County, Maryland (the "County") hereby authorizes and
17 approves the incurring of debt or the payment of purchase price or rental installments
18 for the purpose of financing a portion of the capital cost of capital equipment,
19 improvements, extensions, modifications, alterations, or any combination thereof to
20 the property of the County, together with the acquisition of all necessary property
21 rights and equipment, and all related architectural, financial, legal, planning, design and
22 engineering expenses associated with such capital equipment, improvements,
23 extensions, modifications or alterations including:

<u>Project</u>	<u>Amount to be Borrowed</u>
Aberdeen Stadium	\$ 932,500
Bel Air Senior/Youth Center	\$ 300,000
Site Acquisition	\$ 500,000
Northern Precinct	\$ 500,000
Learning Resource Center Alterations	\$ 2,035,374
Abingdon Library	\$ 4,025,000
Edgewood Library	\$ 793,300
Aberdeen High School Modernization	\$ 779,959
Abingdon Elementary Addition	\$ 1,403,509
Church Creek Elementary Addition	\$ 1,095,358
Bush Valley Landfill	\$ 2,280,000
Total	\$14,645,000

The principal amount of indebtedness to be incurred hereunder shall not exceed Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000).

SECTION 2. And be it further enacted by the County Council of Harford County, Maryland that prior to the issuance, sale and delivery of any bonds, bond anticipation notes, notes, evidences of indebtedness, line of credit, financing lease or installment purchase obligation in reliance on this Ordinance, the County Council of Harford County, Maryland shall (without limitation) determine administratively in the Resolution:

(a) the form of instruments or agreements by which the debt or financing authorized herein shall be evidenced (including, but not limited to, bonds, bond anticipation notes, notes, book entry, community participation bonds, letters of credit, trust agreements, trust indentures, financing or installment purchase lease or similar financing agreement, or participation in any "bond bank" or bond pooling arrangement administered by the State of Maryland or a subsidiary entity of it);

1 (b) the manner, if any, by which any indebtedness or financing shall be
2 secured (to the extent annual debt service exceeds proceeds from recordation tax to
3 be used pursuant to Section 12-113(a) of the Tax-Property Article of the Annotated
4 Code of Maryland (1994 Replacement Volume and 1998 Supplement) to pay school
5 bonds issued on the faith and credit of the County after January 1, 1959 and for other
6 school purposes, or transfer tax proceeds to be used for school construction and site
7 acquisition pursuant to Bill No. 93-3 enacted by the County Council of Harford
8 County, Maryland on April 6, 1993 (and signed by the County Executive on April 20,
9 1993)) including, but not limited to, a letter or letters of credit, bond or other such
10 insurance and a pledge of the full faith and credit and unlimited taxing power of the
11 County);

12 (c) the rate or rates of interest or method of determining such rate or
13 rates; and

14 (d) whether the financing is to be accomplished by public sale, private
15 (negotiated) sale or by private placement.

16 The Resolution shall be deemed to be of an administrative nature and shall be
17 effective upon the date specified in the Resolution.

18 SECTION 3. And be it further enacted by the County Council of Harford
19 County, Maryland that the County Executive of Harford County, Maryland shall
20 determine the following matters by Executive Order:

21 (a) the principal amounts, date, denominations, maturity payment
22 provisions and prepayment, tender and/or redemption provisions (if any) and other
23 terms and conditions thereof;

1 (b) the substantially final form and contents and consent to the
2 distribution (and shall authorize the execution and delivery, where applicable) of
3 various agreements and documents as are necessary to implement the financing
4 authorized herein, including, but not limited to, a Preliminary Official Statement and/or
5 an Official Statement, and in the event any evidence of indebtedness is sold through
6 competitive bidding, a Notice of Sale, and in the event any evidence of indebtedness
7 is sold by private (negotiated) sale, a Purchase Contract with the Underwriter(s)
8 thereof, and if any indebtedness is issued in book entry form, securities depository
9 agreements, (collectively the "Documents"), required for the issuance, sale and
10 delivery of any evidence of indebtedness or the completion of the financing authorized
11 herein, which Documents shall contain such provisions as may be required by law or
12 to consummate the financing authorized herein;

13 (c) the manner in which any evidence of indebtedness, lease financing
14 or installment purchase obligation shall be executed, sealed and attested (which may
15 be by facsimile signature and/or seal);

16 (d) provision for the payment of all necessary expenses of preparing,
17 printing and selling any evidence of indebtedness and the Documents including,
18 without limitation, any and all costs, fees and expenses incurred by or on behalf of the
19 County in connection with the authorization, issuance, sale and delivery of any bonds
20 or notes, and all costs incurred in connection with the development of the Documents,
21 including the fees of counsel to the County, and compensation to any persons (other
22 than full-time employees of the County) or entities performing services for or on behalf
23 of the County in connection therewith and in connection with all other transactions

1 contemplated by this Ordinance regardless of whether the proposed financing is
2 consummated;

3 (e) such other matters in connection with the consummation of the
4 financing transactions contemplated by this Ordinance as may be deemed appropriate
5 by the County Executive of Harford County, Maryland, including (without limitation)
6 the appointment of agents (including, but not limited to, trustees, paying agents,
7 indexing agents and/or registrars) in connection with the financing, the execution,
8 acknowledgment, sealing and delivery of such other and further agreements,
9 documents and instruments, and the authorization of the officials of the County to
10 take any and all actions, as are or may be necessary or appropriate to consummate the
11 transactions contemplated by this Ordinance in accordance with the terms hereof and
12 of the Resolution.

13 The Executive Order shall be effective upon the date specified in the Executive
14 Order.

15 SECTION 4. And be it further enacted by the County Council of Harford
16 County, Maryland that authority is hereby conferred respectively on the County
17 Executive of the County, the Director of Administration, the Treasurer, the County
18 Attorney and the Council Administrator of the County Council of Harford County,
19 Maryland, or any of them, and they are hereby directed to take the following actions
20 on behalf of the County:

21 (a) to execute, acknowledge, seal and deliver the Documents
22 substantially in the forms determined administratively by the County Council of Harford
23 County, Maryland in the Resolution; and

1 (b) to execute, acknowledge, seal and deliver such other and further
2 certificates, certifications, agreements, documents and instruments and take such
3 other acts as they or any one or more of them may deem necessary or appropriate to
4 consummate the transactions contemplated by this Ordinance in accordance with the
5 provisions hereof and of the Resolution.

6 SECTION 5. And be it further enacted by the County Council of Harford
7 County, Maryland that the Treasurer, or his authorized deputy, is hereby authorized
8 and empowered to prepare and distribute copies of the Documents to any person who
9 may, in his judgment, be interested in participating in the financing of the Projects or
10 who may request the same or information with respect thereto; provided, however,
11 that any preliminary official statement and related material shall be clearly marked to
12 indicate that they are subject to completion and amendment.

13 SECTION 6. And be it further enacted by the County Council of Harford
14 County, Maryland that, to the extent the recordation tax and/or transfer tax described
15 in Section 2 of this Ordinance is insufficient to pay the principal of and interest on the
16 indebtedness herein authorized, the County hereby covenants and agrees, with each
17 of the holders, from time to time, of any of the bonds or other indebtedness, that it
18 shall promptly cause to be levied against all assessable property within the County
19 annually, so long as any of the bonds or other indebtedness are outstanding and not
20 paid, an *ad valorem* tax sufficient in rate and amount to provide for payment of such
21 principal of, premium (if any) and interest on the bonds or other indebtedness when
22 due. Such tax shall be levied in accordance with the Charter. The County, by the
23 passage of this Ordinance, hereby covenants and agrees properly and promptly to

1 perform all of the respective acts and duties defined in the Charter for the levy and
2 collection of the aforesaid *ad valorem* tax upon all the assessable property within the
3 corporate limits of the County, as the levy and collection of such a tax becomes
4 necessary in order to provide for the payment of principal of, premium (if any) and
5 interest on the bonds or other indebtedness.

6 SECTION 7. And be it further enacted by the County Council of Harford
7 County, Maryland that if the County Council of Harford County, Maryland determines
8 in the Resolution that it is in the best interests of the County to sell any evidence of
9 indebtedness or lease financing or installment purchase obligation by private
10 (negotiated) sale, the County Council of Harford County, Maryland hereby authorizes
11 (a) the appointment of an underwriter (the "Underwriter") in connection with the sale
12 thereof, and (b) the payment by the County to the Underwriter out of the proceeds of
13 the sale thereof or otherwise for services rendered in connection therewith, such
14 compensation to be determined in the Resolution.

15 SECTION 8. And be it further enacted by the County Council of Harford
16 County, Maryland that the County Executive is hereby authorized and empowered for
17 and on behalf of the County (a) to cause the preparation, printing, execution and
18 delivery of the Documents, each substantially in the form provided in the Resolution
19 or in the Executive Order of the County Executive, with such modifications,
20 supplements or amendments thereto as may be recommended by counsel; and (b) to
21 do all such things as may be necessary or desirable in the opinion of the County
22 Executive in connection therewith.

1 SECTION 9. And be it further enacted by the County Council of Harford
2 County, Maryland that nothing herein contained shall authorize the expenditure of
3 County funds until such time as such expenditure shall have been appropriated by the
4 County Council of Harford County, Maryland, and this Ordinance shall not be
5 construed as authorizing or approving any project not otherwise authorized or approved
6 by all appropriate legal authorization.

7 SECTION 10. And be it further enacted by the County Council of Harford
8 County, Maryland that unless changed by the Resolution or the Executive Order, if the
9 indebtedness herein authorized is represented by bonds: (a) the bonds shall be issued
10 pursuant to the authority of this Ordinance and shall be dated October 1, 1999; (b)
11 the bonds shall be issued in the denominations of Five Thousand Dollars (\$5,000) or
12 any integral multiple thereof, and shall be numbered from one (1) consecutively
13 upward in the order of their maturities. The bonds shall mature over a period not to
14 exceed twenty (20) years from their date in twenty (20) annual serial installments
15 beginning in the year 2000 and ending in the year 2019. The bonds shall mature on
16 October 1 in each of said years as follows: Three Hundred Ninety-Five Thousand
17 Dollars (\$395,000) in the year, 2000; and Seven Hundred Fifty Thousand Dollars
18 (\$750,000) in each of the years 2001 through 2019, inclusive. The term and maturity
19 schedule of the bonds or other indebtedness may be changed, increased or decreased
20 upon Executive Order of the County Executive, but the aggregate principal amount of
21 indebtedness to be incurred shall not exceed Fourteen Million Six Hundred Forty-Five
22 Thousand Dollars (\$14,645,000).

1 SECTION 11. Be it further enacted by the County Council of Harford County,
2 Maryland that if the indebtedness herein authorized is represented by bonds, the bonds
3 shall bear interest at the rate or rates named by the successful bidder for the bonds
4 in accordance with the Notice of Sale hereinafter set forth, as may hereafter be
5 amended, upon written recommendation of the County Executive of Harford County,
6 Maryland (the "County Executive"), by administrative resolution of the County Council
7 of Harford County, Maryland, and said interest shall be payable semiannually on the
8 first days of October and April in each of the years that the bonds are outstanding.

9 Interest on the bonds will be payable by check or draft of the Paying Agent mailed to
10 the registered owners thereof. The bonds, when issued, shall be executed in the name
11 of the County, by the facsimile signature of the County Executive, and a facsimile of
12 the corporate seal of the County shall be imprinted on each of the bonds attested by
13 the facsimile signature of the Director of Administration of the County and the manual
14 signature of an authorized officer of the Bond Registrar. The facsimiles of said
15 signature and said seal shall be engraved, printed or lithographed on each of the bonds
16 in accordance with, and pursuant to the authority of Sections 2-301 through 2-306
17 inclusive of the State Finance and Procurement Article of the Annotated Code of
18 Maryland (1995 Replacement Volume and 1998 Cumulative Supplement). If the
19 indebtedness is represented by bonds, the bonds shall be subject to registration as to
20 principal and interest, in the name or names of the owner or owners thereof on books
21 kept for that purpose at the principal office of the Bond Registrar and the principal of
22 the bonds shall be payable upon presentation and surrender thereof at the principal
23 office of the Paying Agent or the ownership of the indebtedness may, pursuant to

1 Executive Order of the County Executive, be maintained by a book entry system. The
2 Bond Registrar and Bond Paying Agent shall be determined by Executive Order of the
3 County Executive. Payment of interest on the bonds shall be made by the Paying
4 Agent on each payment date, to each person appearing on the registration books of
5 the County, maintained by the Bond Registrar, as the registered owner thereof, by
6 check or draft mailed to each such registered owner at his or her address as it appears
7 on such registration books. There shall be printed on each bond the text of the
8 approving legal opinion of bond counsel with respect to the bonds. Except as provided
9 hereinafter or in an Executive Order of the County Executive prior to the issuance of
10 the bonds, if the indebtedness authorized herein is represented by bonds, the bonds
11 shall be in substantially the following form, which form, together with all covenants
12 and conditions therein contained, is hereby adopted by the County Council of Harford
13 County, Maryland as and for the form of obligation to be incurred by the County, and
14 said covenants and conditions, including the promise to pay therein contained, are
15 hereby made binding upon the County, in accordance with the endorsement on said
16 bonds:

1 UNITED STATES OF AMERICA

2 STATE OF MARYLAND

3 HARFORD COUNTY, MARYLAND

4 HARFORD COUNTY GENERAL OBLIGATION BONDS OF 1999, SERIES B

5
6 No.

No.

7 Registered Owner:

8 \$5,000

\$5,000

9 (Dated October 1, 1999)

10 HARFORD COUNTY, MARYLAND, a body politic and corporate, organized and existing
11 under the Constitution and laws of the State of Maryland, hereby acknowledges itself
12 indebted and, for value received, promises to pay to the registered owner or registered
13 assignees of this bond, the principal sum of FIVE THOUSAND DOLLARS (\$5,000)

14 on _____, ____

15 upon presentation and surrender of this bond and to pay interest thereon, from the
16 date of this bond at the rate of _____ percent (____%) per annum until payment of
17 said principal sum, such interest to the maturity hereof being payable on April 1, 2000,
18 and semiannually thereafter on the first days of October and April and in each year by
19 check or draft of the Paying Agent (hereinafter described) mailed to the registered
20 owners of record as interest becomes due and payable.

21 Both the principal of and interest on this bond will be paid in lawful money of
22 the United States of America, at the time of payment, at the principal office of ____
23 _____, Baltimore, Maryland ("Paying Agent").

1 This bond shall be registered in the name of the owner on the registration books
2 kept for that purpose at the principal office of _____, Baltimore,
3 Maryland ("Bond Registrar"), and such registration shall be noted on the back of this
4 bond, after which no transfer hereof shall be valid unless made on the said registration
5 books by the registered owner hereof in person or by his duly authorized attorney, and
6 similarly noted on this bond. The County, Bond Registrar and Paying Agent may deem
7 and treat the person in whose name this bond is registered as the absolute owner
8 hereof for all purposes. This bond, upon surrender hereof at the principal office of the
9 Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar,
10 duly executed by the registered owner hereof, or his (her) duly authorized attorney,
11 may, at the option of the registered owner hereof, be exchanged for an equal
12 aggregate principal amount of bonds of authorized denominations and of the same
13 form and tenor as this bond. For every such exchange or transfer of bonds, the
14 County or the Bond Registrar shall make a charge for any tax or other governmental
15 charge required to be paid with respect to such exchange or transfer. Such charge
16 shall be paid by the registered owner requesting such exchange or transfer as a
17 condition precedent to the exercise of such privilege. The Bond Registrar shall not be
18 obligated to make any such exchange or transfer of bonds during the fifteen (15) days
19 next preceding an interest payment date on the bonds, or in case of any proposed
20 redemption of bonds, during the fifteen (15) days next preceding the date of the
21 publication of notice of such redemption. The Bond Registrar shall not be required to
22 make any transfer or exchange of any bonds called for redemption.

1 This bond is one of a duly authorized issue or series of bonds aggregating
2 Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000) in principal
3 amount, which are of the denomination of Five Thousand Dollars (\$5,000) or integral
4 multiples thereof. These bonds mature serially in installments on the first day of
5 October in each of the years 2000 to 2019, inclusive, as follows: Three Hundred
6 Ninety-Five Thousand Dollars (\$395,000) in the year, 2000; and Seven Hundred Fifty
7 Thousand Dollars (\$750,000) in each of the years 2001 through 2019, inclusive.
8 These bonds are numbered from one (1) consecutively upwards in the order of their
9 maturities, are of like tenor except as to maturity, number and interest rate, are issued
10 pursuant to and in full conformity with the provisions of the Charter of Harford
11 County, as amended, and by virtue of due proceedings had and taken by the County
12 Council of Harford County, Maryland particularly an Ordinance enacted on _____
13 _____, 1999, entitled Bill No. 99-___ and a Resolution adopted on _____
14 _____.

15 The full faith and credit and unlimited taxing power of Harford County,
16 Maryland, is pledged to the punctual payment of the principal of and interest on this
17 bond according to its terms, and said County covenants and agrees punctually to pay
18 the principal of this bond and the interest thereon, at the dates and in the manner
19 mentioned herein.

20 The bonds of the issue which mature on or before October 1, _____, are not
21 subject to redemption prior to their maturities. The bonds which mature on or after
22 October 1, _____, shall be subject to redemption as a whole at any time or in part on
23 any interest payment date, and in any order of maturity, at the option of the County

on October 1, _____, or on any redemption date thereafter upon notice of call for redemption given by publication at least thirty (30) days prior to the date of redemption in a newspaper published and circulating in Harford County and in the City of Baltimore, Maryland, and also in a financial newspaper published and circulating in the City of New York, New York, at a redemption price, expressed as a percentage of the principal amount of the bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption.

Date of Redemption

Optional Redemption Price

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds to be redeemed shall be selected by lot by _____, _____, _____, Paying Agent.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity and neither the members of the County Council of Harford County, Maryland nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been

performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter and Code of Harford County and the Ordinance and Resolution above referred to, and that the issue of bonds of which this is one, together with all other indebtedness of Harford County, is within every debt and other limit prescribed by the Constitution and laws of said State and the Charter and Code of Harford County, and that due provision has been made for the levy and collection, if and when necessary, of an annual *ad valorem* tax or taxes upon all the legally assessable property within the corporate limits of Harford County, Maryland, as prescribed by law, in rate and amount sufficient to provide for the payment, when due, of the interest on and the principal of this bond.

IN WITNESS WHEREOF Harford County, Maryland, has caused this bond to be executed in its name by the facsimile signature of the County Executive, which signature has been imprinted thereon, and has also caused a facsimile of its corporate seal to be imprinted hereon, attested by the facsimile signature of the Director of Administration, and the manual signature of an authorized officer of the Bond Registrar, all as of the _____ day of _____, 1999.

Attest:

HARFORD COUNTY, MARYLAND

By: _____

Director of Administration

County Executive

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of Harford County, Maryland General
Obligation Bonds of 1999.

Authorized Officer

(Form of Registration)

(No writing hereon except by an officer of _____, Baltimore,
Maryland, Bond Registrar.)

Date of Registry

Name of Registered Holder

Registered By

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(please insert name and address of the assignee)

(Tax Identification or Social Security No. _____)

the within bond, and hereby irrevocably constitutes and appoints

attorney to transfer the within bond on the books kept for registration thereof, with
full power of substitution in the premises.

1 Date: _____

2 Signature guaranteed: _____

3
4
5 NOTICE: Signature must be
6 guaranteed by a member firm of the
7 New York Stock Exchange or a
8 Commercial bank or trust company
9

NOTICE: The signature on this
Assignment must correspond with

the name of the registered owner
as it appears on the face of the
within bond in every particular,
without alteration or enlargement
or any change whatever.

10
11
12
13
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15
16 SECTION 12. Be it further enacted by the County Council of Harford County,

17 Maryland that if the indebtedness herein authorized is represented by bonds, the bonds
18 shall be sold by bids on sealed proposals to the bidder therefor for cash whose bid is
19 deemed to be for the best interest of the County, Maryland, after giving at least ten
20 (10) days' public notice by advertisement inserted twice in one or more daily or weekly
21 newspapers having a general circulation in the County, said sale to be held not sooner
22 than ten (10) days following the first insertion of said advertisement. Said
23 advertisement or a summary thereof shall also be published in "The Bond Buyer", a
24 financial journal published in the City of New York. The Award of the Bonds, if made,
25 shall be approved by resolution of the County Council of Harford County, Maryland
26 after written recommendation of the County Executive, to the bidder offering the
27 lowest interest cost determined in accordance with the true interest cost method (TIC).
28 The sale of the bonds, unless changed by Executive Order of the County Executive,
29 shall be held on October 5, 1999, at the office of the Treasurer of Harford County,

1 Maryland, located at 220 South Main Street, Bel Air, Maryland, at 11:00 o'clock A.M.,
2 E.S.T. or E.D.T. (whichever time may then be in effect), or on such other date and at
3 such other time and location as may be provided by Executive Order of the County
4 Executive.

5 SECTION 13. Be it further enacted by the County Council of Harford County,
6 Maryland that the official Notice of Sale shall be in substantially the form hereinafter
7 set forth and the terms, provisions and conditions set forth in said form of Notice of
8 Sale are hereby adopted and approved as the terms, provisions and conditions under
9 which and the manner in which the bonds shall be sold, issued and delivered at public
10 sale. In addition, there is hereinafter set forth a form of Proposal to be used by all
11 persons submitting proposals for the purchase of the bonds. The official Notice of
12 Sale, upon resolution of the County Council of Harford County, Maryland, may be
13 consolidated with the Official Notice of Sale for other bonds to be sold by the County
14 at the same time. The official Notice of Sale may be published in summary form in
15 The Bond Buyer and in other financial publications approved by the County Executive.
16 The official Notice of Sale and Proposal for the bonds shall be in substantially the
17 following form (unless changed by Executive Order of the County Executive adopted
18 prior to the sale of the bonds):

1 \$14,645,000

2 HARFORD COUNTY, MARYLAND

3 HARFORD COUNTY GENERAL OBLIGATION BONDS OF 1999, SERIES B

4
5 SEALED BIDS will be received by the Treasurer of Harford County, Maryland
6 (the "County") at 220 South Main Street, Bel Air, Maryland, until 11:00 o'clock A.M.,
7 E.S.T. or E.D.T. (whichever shall then be in effect) on October 5, 1999 for the
8 purchase of Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000)
9 Harford County, Maryland General Obligation Bonds of 1999 (the "Bonds") all being
10 dated October 1, 1999, and bearing interest payable semi-annually on the first days
11 of April and October until maturity. The Bonds are issued under the provisions of an
12 Ordinance adopted by proceedings of the County Council of Harford County, Maryland
13 on _____, 1999. The Bonds mature on October 1 in each of the years 2000
14 to 2019 as follows: Three Hundred Ninety-Five Thousand Dollars (\$395,000) in the
15 year, 2000; and Seven Hundred Fifty Thousand Dollars (\$750,000) in each of the
16 years 2001 through 2019, inclusive.

17 The proceeds of the sale of the Bonds will be used to finance the cost of
18 construction, reconstruction, improvement, extension, acquisition, alteration, repair,
19 the cost of acquiring sites, making site improvements, architectural and engineering
20 services, including preparation of plans, drawings and specifications, and the
21 development of the grounds and landscaping and all customary appurtenances and
22 equipment for the renovation and expansion of certain Capital Projects described in the
23 Ordinance and as more particularly set forth in the Annual Budget and Appropriation

1 Ordinance of Harford County, Maryland, as amended, for the year ended June 30,
2 2000.

3 The principal of the Bonds will be payable in lawful money of the United States
4 of America at the time of payment, upon presentation and surrender thereof, at the
5 principal office of _____, Baltimore, Maryland
6 ("Bond Registrar" and "Paying Agent"). Payment of interest on the Bonds shall be
7 made by the Paying Agent on each payment date, to each person appearing on the
8 registration books of the County, maintained by the Bond Registrar, as the registered
9 owner thereof, by check or draft mailed to each such registered owner at his or her
10 address as it appears on such registration books.

11 The Bonds will be issued in the denomination of Five Thousand Dollars (\$5,000)
12 or integral multiples thereof. The bonds will be subject to registration on books kept
13 for that purpose at the principal office of the Bond Registrar.

14 The Bonds which mature on or before _____, are not subject to
15 redemption prior to their maturities. The bonds which mature on and after _____
16 _____, shall be subject to redemption as a whole at any time or in part on any
17 interest payment date, and in any order of maturity, at the option of the County on
18 _____, or on any redemption date thereafter upon notice of call for
19 redemption given by publication at least thirty (30) days prior to the date of
20 redemption in a newspaper published and circulating in Harford County and in the City
21 of Baltimore, Maryland, and also in a financial newspaper published and circulating in
22 the City of New York, New York, at a redemption price, expressed as a percentage of

the principal amount of the bonds to be redeemed, set forth in the table below,
together with interest accrued to the date fixed for redemption:

Date of Redemption

Optional Redemption Price

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds to be redeemed shall be selected by lot by the Paying Agent.

Each bid must be submitted on the prescribed form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope addressed to "Treasurer, Harford County Maryland, Bel must be submitted in the prescribed form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope addressed to "Treasurer, Harford County, Maryland, Bel Air, Maryland", and marked on the outside "Proposal for General Obligation Bonds of 1999, Series B", such bid to be accompanied by a good faith deposit in the form of a certified check upon, or a cashier's or treasurer's check of, a responsible banking institution or a financial surety bond as described below, payable to "Harford County, Maryland" for Three Hundred Thousand Dollars (\$300,000). The check of the successful bidder will be collected and the proceeds thereof retained by the County to be applied in part payment for the bonds, and no interest will be allowed upon the amount thereof; but, in the event the successful bidder shall fail to comply with the terms of such bid, the proceeds of such check will be retained as and for full liquidated damages. The checks of the unsuccessful bidders will be returned promptly.

1 In lieu of submitting a check, a bidder may submit a financial surety bond from
2 an insurance company satisfactory to the County licensed to issue such a bond in the
3 State of Maryland, and such bond must be submitted to the County c/o Miles &
4 Stockbridge P.C., 600 Washington Avenue, Towson, Maryland 21204, Bond Counsel,
5 prior to 11:00 a.m., E.S.T. or E.D.T. (whichever time shall then be in effect) on the
6 date of sale. The financial surety bond must identify each bidder whose good faith
7 deposit is guaranteed by such financial surety bond. If the bonds are awarded to a
8 bidder utilizing a financial surety bond, then the successful bidder is required to submit
9 its good faith deposit to the Treasurer of the County in one of the forms described in
10 the preceding paragraphs not later than 3:30 p.m. (E.S.T or E.D.T. [whichever time
11 shall then be in effect]) on the next business day following the award. If such good
12 faith deposit is not received by that time, the financial surety bond may be drawn by
13 the County to satisfy the good faith deposit requirement.

14 The County will not consider and will reject any bid for the purchase of less
15 than all of the Bonds. The right is reserved to reject any and all bids and to waive any
16 informality or irregularity in any proposal or bid. Acceptance of the successful bid is
17 subject to approval, by resolution, of the County Council of Harford County, Maryland.

18 It is expected that CUSIP identification numbers will be printed on the bonds,
19 but neither the failure to print any such number on any bond nor any error with respect
20 thereto shall constitute cause for a failure or refusal by a successful bidder to accept
21 delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale.

22 Bidders must bid at least par for the Bonds and accrued interest to the date of
23 delivery of the Bonds, and must specify the rate or rates of interest to be paid thereon,

1 in multiples of one-eighth ($1/8$ th) or one-twentieth ($1/20$ th) of one percent (1%) per
2 annum. Bidders may specify more than one rate of interest to be borne by the Bonds,
3 but may not specify more than one interest rate for the Bonds of each maturity. A
4 zero rate cannot be named for any maturity. The interest payable on any Bond on any
5 interest payment date shall be represented by a single interest rate. The differences
6 between the highest and lowest interest rates shall not exceed two percent (2%).

7 Bids will be opened promptly after 11:00 A.M., E.S.T. or E.D.T. (whichever time
8 shall then be in effect) on October 5, 1999, or such other date and at such other time
9 as may be provided in a resolution of the County Council of Harford County, Maryland.

10 The award, if made, will be made promptly after the bids are opened to the bidder
11 offering the lowest true interest cost to the County, within the guidelines of this
12 Notice of Sale, such lowest true interest cost to be determined in accordance with the
13 true interest cost (TIC) method by doubling the semi-annual interest rate (compounded
14 semi-annually) necessary to discount the debt service payments from the payment
15 date to the date of the Bonds and to the price bid, excluding interest accrued to the
16 date of delivery. If two or more responsible bidders have made proposals, each of
17 which represents the lowest true interest cost to the County (computed in accordance
18 with the terms of this Notice of Sale), then the Bonds may be awarded, with their
19 consent, in a ratable portion among such bidders, or the County may, in its sole
20 discretion, determine to which of such bidders the Bonds will be awarded.

21 The Bonds will be delivered to the successful bidder or bidders as soon as
22 practicable, upon due notice and at the expense of the County, at such location in
23 New York, New York or Baltimore, Maryland, as the successful bidder may designate,

1 upon payment of the successful bid (including any premium) plus accrued interest to
2 the date of delivery; less the deposit theretofore made. Such payment shall be made
3 in federal funds or other immediately available funds. The successful bidder shall
4 advise the Bond Registrar of the names of the initial registered owners of the Bonds
5 and the denominations of the initial Bonds not later than seven (7) business days
6 before the expected date and time of delivery of the Bonds.

7 The successful bidder must, prior to the delivery of the Bonds, certify to the
8 County the amount of the initial offering price to the public (excluding bond houses
9 and brokers) at which a substantial portion (at least 10%) of the Bonds of each
10 maturity have or will be sold.

11 The Bonds, and payment of the principal and interest thereon, will be the
12 unconditional general obligation of the County and will constitute an irrevocable pledge
13 of the full faith and credit and unlimited taxing power of Harford County.

14 The issuance of the Bonds will be subject to legal approval of Miles &
15 Stockbridge P.C., Baltimore, Maryland, and a copy of their opinion will be delivered
16 upon request, without charge, to the successful bidder for the Bonds. The text of
17 such approving legal opinion will be printed on each Bond. There will also be furnished
18 the usual closing papers, including a certificate stating that there is no litigation
19 pending affecting the validity of the Bonds.

20 It shall be a condition to the obligation of the successful bidder to accept
21 delivery of and pay for the Bonds that, simultaneously with or before delivery and
22 payment for the Bonds, such bidder shall be furnished a certificate or certificates of
23 the County Executive, Treasurer and Director of Administration to the effect that, to

1 the best of their knowledge and belief, the Official Statement (and any amendment or
2 supplement thereto) as of the date of sale and as of the date of delivery of the Bonds
3 does not contain any untrue statement of a material fact and does not omit to state
4 a material fact necessary to make the statements therein, in the light of the
5 circumstances under which they were made, not misleading and that between the date
6 of sale and the date of delivery of the Bonds of such issue there has been no material
7 adverse change in the financial position or revenues of the County except as reflected
8 or contemplated in the Official Statement (and any amendment or supplement thereto).

9 The Preliminary Official Statement of the County concerning the Bonds (the
10 "Preliminary Official Statement") is in a form "deemed final" by the County for
11 purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and
12 completion in the final Official Statement.

13 As soon as practicable after the award of the Bonds to the successful bidder
14 therefor on the day of sale, the County will approve the final Official Statement for the
15 Bonds. By submitting its bid for the Bonds, each bidder agrees that, if it is the
16 successful bidder, it will provide the County with pricing information and such other
17 information as the County may require in order that the County may provide the
18 successful bidder with a final Official Statement in compliance with the Rule. Whether
19 or not any such information is included in the Official Statement (and any amendment
20 or supplement thereto), such successful bidder shall be responsible to the County and
21 its officials in all respects for the accuracy, fairness and completeness of such
22 information, and for all decisions made with respect to the use or omission of such
23 information in any re-offering of the Bonds, including the presentation or exclusion of

1 any such information in any documents, including the Official Statement. Within
2 seven (7) business days after the award of the Bonds, the successful bidder will also
3 be furnished, without cost, with up to 100 copies of the Official Statement (and any
4 amendment or supplement thereto), and such successful bidder may obtain additional
5 copies at its own expense.

6 The County further covenants, in order to assist bidders in complying with SEC
7 Rule 15c2-12(b)(5), pursuant to a continuing disclosure agreement (the "Continuing
8 Disclosure Agreement") signed by the County Executive, Treasurer and Director of
9 Administration, to provide annual reports and notices of certain events. The
10 undertaking of the County in the Continuing Disclosure Agreement shall be described
11 in any Preliminary Official Statement and Official Statement and any amendment or
12 supplement thereto.

13 The County will undertake to provide the successful bidder with further
14 additional information to be included in such Official Statement, when in the opinion
15 of the County or of Bond Counsel, such additional information constitutes a material
16 change to such Official Statement. The County will take such steps as are necessary
17 to arrange for amending and supplementing the Official Statement in connection with
18 the disclosure of such additional information; provided, however, that the County shall
19 have no obligation to provide such additional information after the date which is
20 twenty-five (25) days after the "end of the underwriting period", as such term is
21 defined in the Rule.

1 The Preliminary Official Statement, a full financial statement concerning the
2 County, the required form of proposal, and other data in reference thereto as may be
3 desired will be supplied to prospective bidders upon request made to James M. Jewell,
4 Treasurer, 220 South Main Street, Bel Air, Maryland [(410) 879-2000], or Public
5 Advisory Consultants, 117 Water Street, Baltimore, Maryland 21202 [(410) 539-
6 2418], Financial Advisor to the County.

7 HARFORD COUNTY, MARYLAND

8
9 By: James M. Harkins
10 County Executive
11

PROPOSAL FOR GENERAL OBLIGATION BONDS OF 1999, SERIES B

Treasurer, Harford County, Maryland
 220 South Main Street
 Bel Air, Maryland 21014

Gentlemen:

Subject to the provisions and in accordance with the terms of the annexed Notice of Sale, which is a part of this Proposal, we offer to purchase the obligations of Harford County, Maryland, described in such Notice being Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000) Harford County General Obligation Bonds of 1999, Series B, the bonds maturing in the several years shown in the table below and subject to redemption as provided in the Notice of Sale to bear interest at the rates per annum set opposite such years, respectively, in said table, and to pay Fourteen Million Six Hundred Forty-Five Thousand Dollars (\$14,645,000) the par value of said obligations plus interest accrued to the date of payment of the purchase price, plus a premium in the amount of _____ Dollars (\$ _____).

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2000	\$395,000	_____ %
2001	\$750,000	_____ %
2002	\$750,000	_____ %
2003	\$750,000	_____ %
2004	\$750,000	_____ %
2005	\$750,000	_____ %
2006	\$750,000	_____ %

1	2007	\$750,000	_____ %
2	2008	\$750,000	_____ %
3	2009	\$750,000	_____ %
4	2010	\$750,000	_____ %
5	2011	\$750,000	_____ %
6	2012	\$750,000	_____ %
7	2013	\$750,000	_____ %
8	2014	\$750,000	_____ %
9			
10	2015	\$750,000	_____ %
11			
12	2016	\$750,000	_____ %
13			
14	2017	\$750,000	_____ %
15			
16	2018	\$750,000	_____ %
17			
18	2019	\$750,000	_____ %
19			
20			

21 We enclose herewith a certified cashier's or treasurer's check, payable to the
 22 order of "Harford County, Maryland", in the amount of Three Hundred Thousand
 23 Dollars (\$300,000), which check is to be applied in accordance with the annexed
 24 Notice of Sale.

25 If we are the successful bidder for the Bonds we agree: (1) to provide full and
 26 complete pricing information with respect to the Bonds to Harford County, Maryland
 27 (the "County") in a timely manner so that the County may fulfill its obligation relating
 28 to the delivery of the Official Statement to the purchaser of the Bonds within seven
 29 (7) business days following the award, including, without limitation, the offering

price(s), interest rate(s), selling compensation, delivery dates and other similar information; (2) to comply with the requirements of SEC Rule 15c2-12 and the applicable rules of the Municipal Securities Rulemaking Board in connection with the offer and sale of the Bonds; (3) to furnish to the County before the delivery of the Bonds such information as shall be necessary to enable the County to determine the "issue price" of the Bonds as defined in Sections 148(h), 1273 and 1274 of the Internal Revenue Code of 1986, as amended; (4) within three (3) business days after the final Official Statement becomes available, to cause copies thereof to be filed with one or more "nationally-recognized municipal securities information repositories", as such term is defined in SEC Rule 15c2-12; and (5) to certify at the time of the issuance of the Bonds that the final Official Statement is in form satisfactory to us.

(The aggregate amount of interest from the date of the Bonds to final maturity is _____ Dollars (\$_____). The true interest cost is _____ per cent (_____%). This is requested to expedite and facilitate prompt determination of best bid. It is not a part of the proposal. The omission or inaccuracy of these figures will not effect the validity of the proposal.) The differences between the highest and lowest interest rates shall not exceed two per cent (2%). A zero rate may not be named for any maturity.

SECTION 14. Be it further enacted by the County Council of Harford County, Maryland that upon request of the County Executive, the County Council of Harford

1 County, Maryland may, at any time, prior to the public sale of these bonds, by
2 administrative resolution(s), determine whether the bonds may be sold above or below
3 par, whether bids may be accepted electronically or by facsimile, change the projects
4 to be constructed with the proceeds of sale of the bonds and the County Executive by
5 Executive Order may determine or change the Notice of Sale, date of sale, the date or
6 location of bid opening, the dates of maturity or redemption of the bonds, the amount
7 of the bonds to be sold (but not in excess of Fourteen Million Six Hundred Forty-Five
8 Thousand Dollars (\$14,645,000) and the amounts of bonds maturing in each year, the
9 interest payment dates of the bonds, appoint paying agent(s) and/or registrar(s) for the
10 bonds, whether ownership of the bonds or other indebtedness shall be maintained in
11 book entry form, and the terms of sale of the bonds.

12 SECTION 15. Be it further enacted by the County Council of Harford County,
13 Maryland that immediately after the sale of the bonds, and upon written
14 recommendation of the County Executive the interest rate or rates payable thereon
15 shall be fixed by a resolution of the County Council of Harford County, Maryland in
16 accordance with the terms and conditions of the sale of the bonds. The bonds shall
17 thereupon be suitably printed or engraved and duly executed and delivered to the
18 purchaser in accordance with the conditions of delivery set forth in the foregoing
19 Notice of Sale. The proceeds of the sale of the bonds, including any premium and
20 accrued interest received therefor, shall be paid to the Department of the Treasury of
21 Harford County and shall be deposited in a special account of the County. The County
22 may, at its option, deduct from the gross proceeds received from the sale of the bonds
23 the cost of issuing the same, including the cost of advertising, printing and

1 professional fees (including legal) and expenses. There shall be deducted from the
2 total gross proceeds received from the sale of the bonds the amount received on
3 account of accrued interest on the bonds, which amount shall be set apart by the
4 Treasurer of Harford County in a special fund and applied to the first maturing interest
5 payment on the bonds. The balance of the proceeds of the sale of the bonds shall be
6 expended only to finance the Projects as set forth in this Ordinance and as more
7 particularly described in the Annual Budget and Appropriation Ordinances of the
8 County, as amended, for the year ending June 30, 2000. If the funds derived from
9 the sale of the bonds shall exceed the amount needed to finance said Projects, the
10 excess funds so borrowed and not expended by the County shall be applied by the
11 County in payment of the next principal maturity of the bonds so issued, unless the
12 County Council of Harford County, Maryland shall adopt a resolution or ordinance
13 allocating said excess funds to finance any lawful modification of such Projects, or to
14 the extent then permitted by law, any other project lawfully undertaken by the County,
15 as may be provided by subsequent resolution or ordinance approved by the County
16 Council of Harford County, Maryland.

17 SECTION 16. Be it further enacted by the County Council of Harford County,
18 Maryland that, to the extent the recordation and transfer taxes described in Section
19 2 of this Ordinance are insufficient to pay the principal of and interest on the Bonds,
20 for the purpose of paying the interest on, premium, (if any) and principal of the bonds
21 or other indebtedness authorized by this Ordinance, there is hereby levied and there
22 shall hereafter be levied in each fiscal year that any of the bonds or other indebtedness
23 are outstanding, *ad valorem* taxes on real and tangible personal property and intangible

1 property subject to taxation by the County without limitation on rate or amount; and,
2 in addition, upon such other intangible property as may be subject to taxation by the
3 County within limitations prescribed by law, in an amount sufficient together with
4 funds available from other sources, to pay the annual interest on the outstanding
5 bonds or other indebtedness and to redeem the bonds or other indebtedness maturing
6 during the succeeding year; and the full faith and credit and the unlimited taxing power
7 of the County are hereby irrevocably pledged to the punctual payment of the principal
8 of and interest on the bonds or other indebtedness as and when they mature. The
9 County by the passage of this Ordinance hereby covenants and agrees properly and
10 promptly to perform all of the respective acts and duties defined in this Ordinance for
11 the levy and collection of the aforesaid *ad valorem* tax upon all the assessable property
12 within the corporate limits of the County, as the levy and collection of such a tax
13 becomes necessary in order to meet the debt service requirements of Harford County
14 General Obligation Bonds of 1999. By this Ordinance, the County agrees to take all
15 action it may be legally authorized and empowered to take in order to enforce, in any
16 year in which any of the bonds or other indebtedness are outstanding, the guarantee
17 of such bonds or other indebtedness by the County.

18 SECTION 17. Be it further enacted by the County Council of Harford County,
19 Maryland that the County is hereby authorized and empowered from time to time to
20 issue its Bond Anticipation Note or Notes on the full faith and credit and unlimited
21 taxing power of the County in an amount not exceeding Fourteen Million Six Hundred
22 Forty-Five Thousand Dollars (\$14,645,000), the net proceeds of such sale to be used
23 to finance part or all of the cost of the Projects; the sale of such Notes to be upon

1 such terms as may be directed by resolution of the County Council of Harford County,
2 Maryland.

3 Such Bond Anticipation Note or Notes or other evidence of indebtedness shall
4 not have a maturity in excess of twelve (12) months from the date of issue.

5 The Treasurer of Harford County, Maryland, prior to the issuance of any such
6 Bond Anticipation Note or Notes or other evidence of indebtedness of the County shall
7 present the terms of such notes to the County Council of Harford County, Maryland
8 for approval by Resolution of the County Council of Harford County, Maryland prior to
9 the issuance of such Bond Anticipation Note or Notes.

10 The Bond Anticipation Note or Notes will bear interest at the rate or rates so
11 negotiated by the Treasurer and approved by Resolution of the County Council of
12 Harford County, Maryland and the Bond Anticipation Note or Notes when issued shall
13 be issued in the name of the County by the signature of the County Executive, the
14 corporate seal of the County shall be imprinted on such Bond Anticipation Note or
15 Notes and such Bond Anticipation Note or Notes shall be used only for those purposes
16 approved in a Resolution of the County Council of Harford County, Maryland adopted
17 subsequent to the adoption of this Ordinance.

18 The Bond Anticipation Note or Notes shall not be issued in an amount greater
19 than the amount of bonds or other indebtedness authorized in anticipation of the sale
20 of which the Bond Anticipation Note or Notes are issued and sold.

21 The principal of and interest on the Bond Anticipation Note or Notes shall be
22 payable out of the first proceeds of sale of the bonds, or from the tax or other revenue

1 which the County shall previously determine to apply to the payment of the bonds and
2 interest thereon.

3 Twelve (12) months interest on the Bond Anticipation Note or Notes or any
4 renewal thereof may be paid from the proceeds of the Bond Anticipation Note or Notes
5 from the proceeds of sale of the bonds accounting from the initial date of issue
6 thereof.

7 By resolution adopted by the County Council of Harford County, Maryland, the
8 County may provide for the renewal of the Bond Anticipation Note or Notes at maturity
9 with or without resale.

10 Immediately after the sale of the Bond Anticipation Note or Notes and approval
11 by resolution of the County Council of Harford County, Maryland, the proceeds of sale
12 of such Bond Anticipation Note or Notes, after payment of expenses of issuing the
13 same, shall be paid to the Department of the Treasury of Harford County, Maryland.

14 The proceeds of sale of the Bond Anticipation Note or Notes shall be expended only
15 to finance the Projects as defined above.

16 SECTION 18. Be it further enacted by the County Council of Harford County,
17 Maryland that pursuant to Treasury Regulations 1.150-2, governing the use of bond
18 proceeds for the purpose of reimbursing expenditures paid prior to the issuance of
19 bonds, and as permitted by Treasury Regulations 1.150-2(e)(1), the Treasurer of
20 Harford County, Maryland is hereby duly designated to make declarations of Official
21 Intent on behalf of the County. The County expects that all or a part of the capital
22 expenditures for the Projects will be paid prior to the issuance of the Bonds, and that
23 the proceeds of the Bonds will be used to reimburse the County for capital

1 expenditures paid prior to the issuance of the Bonds. The County reasonably expects
2 to reimburse a portion of the capital expenditures for the Projects with proceeds of the
3 Bonds, in the maximum principal amount of Seven Million Dollars (\$7,000,000), and
4 this Ordinance shall be available for public inspection at the offices of the County
5 during regular business hours and in accordance with the laws of the State of
6 Maryland and the County, regarding access to public records.

7 SECTION 19. Be it further enacted by the County Council of Harford County,
8 Maryland that the County covenants and agrees with the registered owners, from time
9 to time, of the Bonds as follows:

10 (a) The County covenants that it will not make any use of the proceeds
11 of any of the Bonds or any moneys, securities or other obligations on deposit to the
12 credit of the County or otherwise which may be deemed by the Internal Revenue
13 Service to be proceeds of any of the Bonds pursuant to the Internal Revenue Code of
14 1986, as amended, and Income Tax Regulations thereunder (collectively, the "Code"),
15 which would cause any of the Bonds to be "arbitrage bonds" or "private activity
16 bonds" within the meaning of the Code.

17 (b) The County further covenants that it will comply with those
18 provisions of the Code which are applicable to the Bonds on the date of issuance of
19 the Bonds and which may subsequently lawfully be made applicable to the Bonds. To
20 the extent that provisions of the Code apply to only a portion of the Bonds, proceeds
21 of the Bonds or other moneys, securities or other obligations deemed to be proceeds,
22 it is intended that the covenants of the County contained in this Section 19 be

1 construed so as to require the County to comply with the provisions of the Code only
2 to the extent of such applicability.

3 (c) The County further covenants that it will not (i) take any action, (ii)
4 fail to take any action, or (iii) make any use of the proceeds of any of the Bonds which
5 would cause the interest on any of the Bonds to be or become subject to federal
6 income taxes in the hands of the registered holders of any of the Bonds.

7 (d) The County further covenants, in order to assist bidders in
8 complying with SEC Rule 15c2-12(b)(5), pursuant to a continuing disclosure
9 agreement (the "Continuing Disclosure Agreement") signed by the County Executive,
10 Treasurer and Director of Administration, to provide annual reports and notices of
11 certain events. The undertaking of the County in the Continuing Disclosure Agreement
12 shall be described in any Preliminary Official Statement and Official Statement and any
13 amendment or supplement thereto.

14 SECTION 20. Be it further enacted by the County Council of Harford County,
15 Maryland that upon recommendation of the County Executive, the County Council of
16 Harford County, Maryland may adopt a resolution pursuant to Article 31, Section 2C
17 of the Annotated Code of Maryland (1997 Replacement Volume) authorizing the loan
18 authorized to be incurred and the bonds authorized to be sold by this Ordinance, to be
19 consolidated for sale and issued, sold and delivered as a single issue of bonds with
20 other bonds authorized to be sold to finance capital projects described in the Annual
21 Budget and Appropriation Ordinances, as amended, for the current fiscal year and/or
22 prior fiscal years.

1.1. SECTION 21. Be it further enacted by the County Council of Harford County, Maryland that the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is held illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Ordinance would have been passed if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included herein, as if the person or circumstances to which this Ordinance or any part hereof are inapplicable had been specifically exempted therefrom.

SECTION 22. And be it further enacted by the County Council of Harford County, Maryland that this Ordinance shall take effect sixty (60) calendar days from the date it became law.

EFFECTIVE: August 2, 1999

The Council Administrator of the Council does hereby certify that fifteen (15) copies of this Bill are immediately available for distribution to the public and the press.

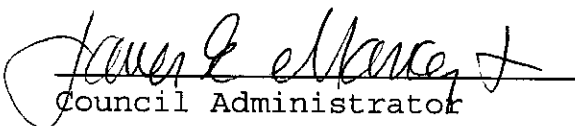

Council Administrator

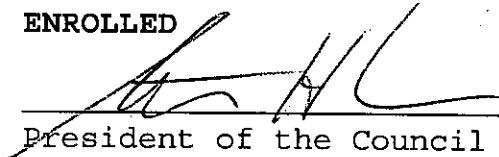
HARFORD COUNTY BILL NO. 99-16Brief Title) General Obligation Bond Series B

is herewith submitted to the County Council of Harford County for
enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED


Council Administrator


President of the Council

Date

5-25-99

Date

5/25/99


BY THE COUNCIL

Read the third time.

Passed: LSD 99-16

Failed of Passage: _____

By Order


Council Administrator

Sealed with the County Seal and presented to the County Executive
for approval this 27th day of May, 1999 at 3:00 p.m.


Council Administrator

BY THE EXECUTIVE


COUNTY EXECUTIVE

APPROVED: Date

June 2, 1999

BY THE COUNCIL

This Bill (No. 99-16), having been approved by the Executive
and returned to the Council, becomes law on June 2, 1999.


Council Administrator

EFFECTIVE DATE: August 2, 1999